

# EXHIBIT 4

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK  
Civil Action No. 06 Civ. 8193(PAC) (DF)

-----x  
CLEAR CHANNEL OUTDOOR, INC.,  
Plaintiff,  
- against -  
THE CITY OF NEW YORK and PATRICIA J.  
LANCASTER, in her official capacity as  
Commissioner of the New York City  
Department of Buildings,  
Defendants.

-----x  
Civil Action No. 06 Civ. 8219(PAC) (DF)  
-----x  
ATLANTIC OUTDOOR ADVERTISING, INC., SCENIC  
OUTDOOR, INC., TROYSTAR CORPORATION and  
WILLOW MEDIA, L.L.C.,  
Plaintiffs,  
-against-  
CITY OF NEW YORK, PATRICIA J. LANCASTER,  
and EDWARD FORTIER,  
Defendants.

-----x  
February 14, 2008  
9:45 a.m.

Deposition of STANLEY SHOR,  
pursuant to Notice, held at the offices of  
Davis Wright Tremaine LLP, 1633 Broadway,  
New York, New York, before Jineen Pavesi,  
a Registered Professional Reporter,  
Registered Merit Reporter, Certified  
Realtime Reporter and Notary Public of the  
State of New York.

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2 phones.

3 Q. Why is that?

4 A. The proliferation of cell  
5 phones has made the pay phone much less  
6 useful to most people; therefore, the  
7 other aspects of the pay phone that people  
8 don't like seem to outweigh the former  
9 desire to have pay phones.

10 MS. SCHNEIER: Can I have the  
11 answer read back.

12 (Record read.)

13 Q. What are the aspects of pay  
14 phones that people don't like?

15 A. People don't like that the pay  
16 phones are dirty, covered with graffiti,  
17 often they don't work when people have  
18 tried to use them because they are subject  
19 to constant vandalism.

20 Property owners don't like  
21 having them adjacent to their properties.

22 At one time the building line  
23 phones generated a payment to the adjacent  
24 stores; the reduction in usage has led the  
25 companies to stop paying the adjacent

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2 respond to certain when receiving  
3 violations on certain locations and not on  
4 others.

5 Q. How many PPTs currently have  
6 advertising on them?

7 A. I don't have a number for that.

8 Q. Do you have a general idea?

9 A. We have approximately 21,000  
10 pay phones in total; of that total, 58  
11 percent are at the curb and 42 percent are  
12 at the building line and this continuously  
13 changes over time.

14 There is a significant number  
15 of phones removed every year, there is  
16 also some phones that are new that come  
17 into the system.

18 Of that 58 percent, there is a  
19 percentage that have advertising on them,  
20 but it is not 100 percent.

21 As far as the actual number of  
22 ad panels, we do have records at the  
23 office for what the companies provide to  
24 us, the locations of the ad panels that  
25 they put up, but I don't have an actual

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2 you will take a minute and look at that  
3 section.

4 (Witness perusing document.)

5 Q. My question here is can you  
6 explain what LED advertising is?

7 A. It says right here, light  
8 emitting diode, it is an electronic form  
9 of lighting that's used to -- usually  
10 used to spell out words or numbers and it  
11 is extremely bright, it is currently being  
12 used in the walk/don't walk signs.

13 It apparently uses less  
14 electricity, so it is being looked on a  
15 lot more favorably lately for  
16 environmental reasons.

17 Q. How does that contrast, for  
18 those not as immersed in this, to just  
19 backlighting?

20 A. Backlighting, you're looking at  
21 a poster with light coming through it;  
22 with LED, you're looking at the light  
23 fixture itself, so it is much brighter  
24 than the back-lit posters.

25 Q. Other than being much brighter,

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2 telephone.

3 Q. Do you know if there is any  
4 agency that keeps those records?

5 A. We keep records on where the  
6 pay phones are, we have a database of  
7 where they are, but it is not indexed by  
8 entrance to bridge or arterial highway.

9 Q. It is just by location?

10 A. Correct.

11 Q. Do you know if DOITT tracks  
12 whether any of the PPTs are in underserved  
13 areas as defined here?

14 A. There are no longer any areas  
15 of the city that are underserved as  
16 defined here.

17 This is based upon the census  
18 of 1990; what was considered a low  
19 penetration area for household telephones.

20 We then -- after the data for  
21 the 2000 census was available, we reviewed  
22 it and determined that the percentage of  
23 households was no longer that high that  
24 had no telephone service, so we eliminated  
25 any community district from being

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2 those pay phones.

3 MS. SCHNEIER: Off the record.

4 (Discussion off the record.).

5 Q. Obviously DOITT has the ability  
6 to track and provide information about  
7 revenues on all PPTs with advertising  
8 panels, correct?

9 A. Correct.

10 Q. Looking at this, do these  
11 numbers look familiar to you?

12 A. That's at the very end of this  
13 response here?

14 Q. Yes.

15 (Witness perusing document.)

16 A. Looks about right.

17 Q. Do you now have the revenue  
18 numbers for 2007 available?

19 A. For fiscal year 2007, we  
20 should have that available.

21 Q. Do you know if the advertising  
22 revenue from PPTs with advertising panels  
23 went up from 2006?

24 A. I believe it did.

25 Q. Do you know if the number of

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2 PPTs declined from 2006 to 2007?

3 A. The number of PPTs overall  
4 definitely did decline.

5 Q. Do you know by what percentage?

6 A. No, I believe that e-mail that  
7 was Exhibit 90 states there was an average  
8 decline of 1,700 phones per year during  
9 the last five years.

10 MS. SCHNEIER: I would like to  
11 mark as Exhibit 92 a document that has  
12 been Bates stamped NYC 9580 through 9581.

13 (Clear Channel Exhibit 92,  
14 Bates stamped NYC 9580 through 9581, was  
15 marked for identification, as of this  
16 date.)

17 Q. You might notice, if you look  
18 at the second page, that the grand total  
19 advertising revenue number of 14 million  
20 and then some actually matches up with  
21 what we saw in the prior answer.

22 Do you recognize the form of  
23 this document, Mr. Shor?

24 (Witness perusing document.)

25 A. It looks like a document that

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2 community board that there was some  
3 specific traffic safety issue at a  
4 location, we would review it, but I don't  
5 recall there being any specific traffic  
6 safety issues involved with any individual  
7 application.

8 Q. But no one, DOITT or any other  
9 agency, said there were over 8,000  
10 advertising panels and these eight  
11 community districts, hey, there might be  
12 some traffic safety issues with having  
13 such proliferation of advertising panels  
14 on the phone kiosks?

15 A. Not to my knowledge.

16 Q. Did anyone do any, in terms of  
17 community districts 1 through 8, did  
18 anyone do any sort of aesthetic study as  
19 to the impact of having these many PPTs  
20 with advertising panels in this area?

21 A. I am not aware of any study  
22 that was related directly to community  
23 districts 1 through 8.

24 I know at one point the Art  
25 Commission commented on existing rules

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2 that we had, but that was citywide, saying  
3 that they should be further spaced apart  
4 than what we had.

5 Q. The existing rules that the Art  
6 Commission commented on, what rules are  
7 you referring to?

8 A. Rules regarding the siting of  
9 pay phone, that they be no closer than 50  
10 feet apart, that kind of thing.

11 The Art Commission just decided  
12 to send us that, that was not during a  
13 process, so it didn't really have an  
14 impact on a specific process at the time,  
15 although it was kept in mind when we later  
16 did this rule, that there was issues as  
17 far as having things close together.

18 Q. In coming up with the rule to  
19 ban any further advertising panels on PPTs  
20 in community districts 1 through 8, is one  
21 of the things that was considered whether  
22 there was any offsetting reason that would  
23 justify the further visual clutter or  
24 aesthetic concerns from having more  
25 advertising panels?

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2 A. It is not clear.

3 Q. Let me try to rephrase that  
4 awkwardly phrased question.

5 Are you aware that in  
6 connection with the street furniture  
7 franchise, one of the things that was  
8 considered was whether the aesthetic  
9 issues with having advertising on the bus  
10 shelters would be offset by the fact that  
11 the franchisee would be receiving revenues  
12 from those bus shelters, bus shelter  
13 advertisements; were you aware that was  
14 one of the things that was considered?

15 A. I wasn't part of those  
16 discussions.

17 Q. In deciding to ban further  
18 advertising on PPTs in community districts  
19 1 through 8, do you know if that same sort  
20 of analysis, weighing the economic  
21 benefits from having advertising against  
22 the aesthetic concerns, was similarly  
23 weighed?

24 A. What I can say is that when we  
25 looked at making a rule regarding

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2 advertising and we looked at the number of  
3 advertising panels and economics, to some  
4 degree we looked at our experience over  
5 the years and what revenues came in and  
6 the number of panels and we found that  
7 there was a great deal of elasticity in  
8 the market.

9 So that if more phones with  
10 more advertising panels went up, that  
11 didn't necessarily result in additional  
12 advertising and in certain years they  
13 actually went down.

14 So our opinion regarding the  
15 economic impact was that limiting the  
16 number of additional panels was not going  
17 to have a significant impact for either  
18 the city or the existing companies.

19 But as you had asked before,  
20 did we consider removing -- forcing  
21 companies to remove panels, as I said, we  
22 felt that that was a bigger issue  
23 contractually, but that certainly would  
24 have had some impact on their revenue and  
25 our revenue.

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2 Q. Our revenue being DOITT's  
3 revenues?

4 A. Sure; if we had all of the  
5 panels removed within the districts as  
6 opposed to just enforcing against the  
7 phones that were cited illegally,  
8 certainly that would have had a  
9 significant impact.

10 Q. Isn't one of the things that  
11 DOITT concluded that it was not  
12 unreasonable to assume that any further  
13 increase in advertising from community  
14 districts 1 through 8 was marginal given  
15 the saturation of that area with  
16 advertising panels already?

17 A. You could say it that way.

18 Q. In fact if there was over  
19 competition for revenue dollars in that  
20 area, what would happen is the revenue  
21 dollars from existing advertising panels  
22 would likely decrease somewhat?

23 A. Well, we saw that the average  
24 panel revenue did go down during a period  
25 of time when -- during that five-year

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2 came back to us and said we really want to  
3 do this, what do we have to do, and I  
4 said, well, you're going to have to come  
5 up with an improved design and take it to  
6 the Art Commission.

7 They hired Jim Garretson, who  
8 has done business at the Art Commission  
9 before, he is an architect, he designed an  
10 improved version for them, he actually  
11 designed several alternatives, the Art  
12 Commission liked his most streamlined  
13 version and approved it.

14 So that's the wrap.

15 Q. The second paragraph talks  
16 about the MTA signs which you had  
17 previously mentioned was raised as posting  
18 several objections.

19 A. Yes.

20 Q. Now I would like you to look at  
21 what has been marked as Exhibit 112 which  
22 has your question, do you see your  
23 question?

24 (Witness perusing document.)

25 A. Yes.

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2 Q. What was the answer that you  
3 received?

4 A. I never received an answer on  
5 this.

6 I don't know if the  
7 commissioner took this any further.

8 Q. Do you know how many such  
9 advertisements the MTA has over transit  
10 facilities?

11 A. No.

12 MS. SCHNEIER: I will just mark  
13 one more document, Exhibit 113, and then  
14 if I can take a five-minute break to  
15 confer, I think I will wrap it up.

16 This is a document Bates  
17 stamped NYC 10702 through 10710.

18 (Clear Channel Exhibit 113,  
19 Bates stamped NYC 10702 through 10710, was  
20 marked for identification, as of this  
21 date.)

22 (Witness perusing document.)

23 Q. Earlier in the deposition,  
24 Mr. Shor, I believe you testified that  
25 DOITT does not track whether any of the